



HOUSE OF REPRESENTATIVES

SB 1220

~~game and fish, technical correction~~

NOW: tribal college compact; renewal

Prime Sponsor: Senator Begay, LD 7

DPA Committee on Government and Higher Education

DPA Caucus and COW

X As Transmitted to the Governor

OVERVIEW

SB 1220 increases the initial and renewal terms for Indian tribe compacts to receive Transaction Privilege Tax (TPT) revenues for community colleges from 10 to 20 years.

PROVISIONS

1. Increases the minimum initial and renewal terms for compacts between the state and Indian tribes to receive TPT revenues for community colleges from 10 to 20 years.
2. Permits compacts to be amended.
3. Requires consent from the state and the qualifying Indian tribe to amend or renew a compact.
4. Specifies that compact renewals and amendments are required to be signed by the Governor and the chairman, president or governor of the Indian tribe.
5. Requires the compact renewal review by the Joint Legislative Budget Committee (JLBC) to be four years prior to expiration rather than one year.
6. Exempts compacts in effect from the provisions of this Act.

CURRENT LAW

The Arizona State Treasurer is required to transmit a portion of TPT revenues each month to qualifying Indian tribes from all sources located on the reservation ([A.R.S. § 42-5031.01](#)). The distributed monies are for the exclusive purpose of supporting the maintenance, renewal and capital expenses of community college campuses owned or chartered by Indian tribes and located on the reservation. The amount transmitted for a single community college is annually capped at the lesser of \$1.75 million or 10% of TPT revenues received from all sources located on the reservation and for an additional technical college the lesser of \$875,000 or more than 5% of TPT revenues. To be eligible to receive monies, the qualifying Indian tribe must enter into an initial compact with the state by September 1, 2017, to account for the use of distributed monies. The compact is required to have an initial term of at least 10 years and, after JLBC review in the last year of the compact, may be renewed for at least an additional 10 year term.